

Assembly Bill No. 1321

Passed the Assembly September 4, 2015

Chief Clerk of the Assembly

Passed the Senate September 2, 2015

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2015, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Chapter 13 (commencing with Section 49010) to Division 17 of the Food and Agricultural Code, relating to food and agriculture.

LEGISLATIVE COUNSEL'S DIGEST

AB 1321, Ting. Nutrition Incentive Matching Grant Program.

Existing law establishes the Office of Farm to Fork within the Department of Food and Agriculture, and requires the office, to the extent that resources are available, to work with various entities, including, among others, the agricultural industry and other organizations involved in promoting food access, to increase the amount of agricultural products available to underserved communities and schools in the state. Existing law requires the office to, among other things, identify urban and rural communities that lack access to healthy food, and to coordinate with local, state, and federal agencies to promote and increase awareness of programs that promote greater food access.

This bill would establish the Nutrition Incentive Matching Grant Program in the Office of Farm to Fork, and would create the Nutrition Incentive Matching Grant Account in the Department of Food and Agriculture Fund to collect matching funds received from a specified federal grant program and funds from other public and private sources, to encourage the purchase and consumption of California fresh fruits, nuts, and vegetables by nutrition benefit clients, as defined. The bill would provide that the program shall only provide grants upon the deposit of sufficient funds, as specified, into the account. The bill would require that moneys in the Nutrition Incentive Matching Grant Account be awarded in the form of grants to qualified entities, as defined, for consumer incentive programs, as defined, subject to specified regulations and in accordance with certain priorities. The bill would require the Office of Farm to Fork to establish minimum standards, funding schedules, and procedures for awarding grants, as specified.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) Scaling up the Market Match program throughout the state would be beneficial to the health of local economies and the state economy while simultaneously improving the health of the most vulnerable families throughout California.

(b) Since its inception in 2009, the Market Match program has encouraged the purchase and consumption of California fresh fruits, nuts, and vegetables by directly linking California specialty crop producers with nutrition benefit clients and doubling the purchasing value of the nutrition assistance received by nutrition benefit clients when purchasing California fresh fruits, nuts, and vegetables.

(c) Market Match dollars provide incentives for new consumers to visit local farmers' markets and purchase healthy produce, benefiting both their health and the health of local economies.

(d) The Market Match program has acted as an economic stimulus to local agricultural economies throughout the state by increasing the number of loyal customers and their purchasing power, including in food deserts where California fresh fruits, nuts, and vegetables are scarce.

(e) Data shows that between 2009 and 2012, the Market Match program increased CalFresh redemption amongst 37,000 new farmers' market customers at 140 participating farmers' markets in over 16 counties, from 132 percent to 700 percent.

(f) Data shows that Market Match dollars have had a six-fold return on investment in farmers' market sales.

(g) The Pacific Coast Farmers' Market Association's business analysis of returns on investment (ROI) for Market Match programs in 2012 held in various areas and cities shows the following rates of ROI throughout the state:

- (1) East Bay and San Francisco: 132 percent ROI.
- (2) Long Beach: 257 percent ROI.
- (3) Huntington Park: 403 percent ROI.
- (4) Davis: 390 percent ROI.
- (5) Woodland: 576 percent ROI.
- (6) Monterey: 717 percent ROI.

(h) The enactment of the 2014 federal Farm Bill includes \$100 million in grants to states for programs that supplement nutrition benefits if they incentivize healthier eating by beneficiaries.

(i) The first round of grants awarded in 2015 proves that a statewide framework is an effective way to draw down these federal funds. The State of Washington was the largest first-round grant recipient, awarded almost \$6 million to help low-income families afford fresh produce. California must act now and tap into this federal funding before it is too late.

(j) Creation of a statewide Nutrition Incentive Matching Grant Program modeled after the successful experience of the Market Match program would help draw down federal funds to further maximize access to fresh healthy foods and stimulate local economies in a more equitable cross-section of communities.

SEC. 2. Chapter 13 (commencing with Section 49010) is added to Division 17 of the Food and Agricultural Code, to read:

CHAPTER 13. NUTRITION INCENTIVE MATCHING GRANT
PROGRAM

49010. This chapter shall be known, and may be cited, as the California Nutrition Incentives Act.

49011. The Nutrition Incentive Matching Grant Program is hereby established in the Office of Farm to Fork for purposes of encouraging the purchase and consumption of California fresh fruits, nuts, and vegetables by directly linking California fresh fruit, nut, and vegetable producers with nutrition benefit clients.

49012. For purposes of this chapter, the following definitions shall apply:

(a) “Consumer incentive program” means a program administered by a qualified entity that increases the purchasing value of a nutrition benefit client’s benefits when the benefits are used to purchase California fresh fruits, nuts, and vegetables.

(b) “Nutrition benefit client” means a person who receives services or payments through any of the following:

(1) California Special Supplemental Nutrition Program for Women, Infants, and Children, as described in Section 123280 of the Health and Safety Code.

(2) CalWORKS program, as described in Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code.

(3) CalFresh, as described in Section 18900.2 of the Welfare and Institutions Code.

(4) Implementation of the federal WIC Farmers' Market Nutrition Act of 1992 (Public Law 102-314).

(5) The Senior Farmers' Market Nutrition Program, as described in Section 3007 of Title 7 of the United States Code.

(6) Supplemental Security Income or State Supplementary Payment, as described in Section 1381 and following of Title 42 of the United States Code.

(c) "Qualified entity" means either of the following:

(1) A certified farmers' market, as described in Section 47004, an association of certified producers, or a nonprofit organization representing a collective or association of certified producers that is authorized by the United States Department of Agriculture to accept federal Supplemental Nutrition Assistance Program (Chapter 51 (commencing with Section 2011) of Title 7 of the United States Code) benefits from recipient purchasers at a farmers' market. Certified producers shall be certified by the county agricultural commissioner pursuant to Section 47020.

(2) A small business, as defined in Section 14837 of the Government Code, that sells California grown fresh fruits, nuts, and vegetables and that is authorized to accept nutrition benefits from any of the programs listed in paragraphs (1) to (6), inclusive, of subdivision (b).

49013. The Nutrition Incentive Matching Grant Account is hereby created in the Department of Food and Agriculture Fund to collect matching funds from the federal Food Insecurity Nutrition Incentive Grant Program (7 U.S.C. Sec. 7517), and other public and private sources, to provide grants under the Nutrition Incentive Matching Grant Program. The Nutrition Incentive Matching Grant Program shall only provide grants upon the deposit of sufficient funds, as specified in its federal Food Insecurity Nutrition Incentive Grant Program application, into the Nutrition Incentive Matching Grant Account.

49014. The Nutrition Incentive Matching Grant Program shall be administered in accordance with all of the following:

(a) Subject to the regulations adopted by the National Institute of Food and Agriculture in the United States Department of Agriculture in accordance with the federal Agricultural Act of 2014 (Public Law 113-79), or any subsequent federal agricultural act, moneys in the Nutrition Incentive Matching Grant Account shall be awarded in the form of grants to qualified entities for consumer incentive programs.

(b) (1) The Office of Farm to Fork shall establish minimum standards, funding schedules, and procedures for awarding grants in consultation with the United States Department of Agriculture and other interested stakeholders, including, but not limited to, the State Department of Public Health, State Department of Social Services, organizations with expertise in nutrition benefit programs or consumer incentive programs, small business owners that may qualify as a qualified entity, and certified farmers' market operators.

(2) The department shall not use more than one-third of the Nutrition Incentive Matching Grant Program funds for consumer incentive programs with qualified entities described in paragraph (2) of subdivision (c) of Section 49012.

(c) The department shall give priority in awarding grants to qualified entities based on, but not limited to, the following:

(1) The service of an area of population currently not being served by a consumer incentive program.

(2) The degree of the existence of the following demographic conditions and the character of the communities in which sales of California grown fresh fruits, nuts, and vegetables are made to the public by authorized vendors operating in conjunction with a qualified entity:

(A) The number of people who are eligible for, or receiving, nutrition benefit program services.

(B) The prevalence of diabetes, obesity, and other diet-related illnesses.

(C) The availability of access to fresh fruits, nuts, and vegetables.

(3) Demonstrated efficiency in the administration of a consumer incentive program.

Approved _____, 2015

Governor